

Board of Tax Appeals

Analyst: Hancock

Historical Summary

OPERATING BUDGET	FY 2003 Total App	FY 2003 Actual	FY 2004 Approp	FY 2005 Request	FY 2005 Gov Rec
BY FUND CATEGORY					
General	315,100	308,100	322,200	399,900	331,600
Percent Change:		(2.2%)	4.6%	24.1%	2.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	255,300	247,900	258,700	317,700	267,600
Operating Expenditures	59,800	60,200	63,500	79,200	64,000
Capital Outlay	0	0	0	3,000	0
Total:	315,100	308,100	322,200	399,900	331,600
Full-Time Positions (FTP)	4.00	4.00	4.00	5.00	4.00

Division Description

The Board of Tax Appeals (section 63-3801, Idaho Code) provides taxpayers the opportunity to appeal their ad valorem assessed valuations from a county board of equalization or tax decisions from the Idaho State Tax Commission. The three member Board of Tax Appeals provides an opportunity for appellants and respondents to present testimony and evidence at a quasi-judicial board hearing rather than through a district court trial which can necessitate legal representation and expense.

Board of Tax Appeals

Analyst: Hancock

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2004 Original Appropriation	4.00	322,200	322,200	4.00	322,200	322,200
FY 2005 Base	4.00	322,200	322,200	4.00	322,200	322,200
Personnel Cost Rollups	0.00	4,600	4,600	0.00	4,600	4,600
Inflationary Adjustments	0.00	800	800	0.00	0	0
Nonstandard Adjustments	0.00	500	500	0.00	500	500
Change in Employee Compensation	0.00	2,100	2,100	0.00	4,300	4,300
FY 2005 Program Maintenance	4.00	330,200	330,200	4.00	331,600	331,600
1. Salary Equity	0.00	6,300	6,300	0.00	0	0
2. Legal Assistant Position	1.00	51,400	51,400	0.00	0	0
3. Contract Staff Support	0.00	12,000	12,000	0.00	0	0
FY 2005 Total	5.00	399,900	399,900	4.00	331,600	331,600
Change from Original Appropriation	1.00	77,700	77,700	0.00	9,400	9,400
% Change from Original Appropriation		24.1%	24.1%		2.9%	2.9%

Board of Tax Appeals

Analyst: Hancock

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2004 Original Appropriation	4.00	322,200	0	0	322,200
FY 2005 Base					
Agency Request	4.00	322,200	0	0	322,200
Governor's Recommendation	4.00	322,200	0	0	322,200

Personnel Cost Rollups

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are: health insurance rates which are projected to increase by 17 percent, from \$5,548 to \$6,493 per employee; and retirement system (PERSI) rates that will increase by over 6% to 10.39 and 10.73 percent of salary for regular and police/firefighter members, respectively.

Agency Request	0.00	4,600	0	0	4,600
Governor's Recommendation	0.00	4,600	0	0	4,600

Inflationary Adjustments

Includes a general inflationary increase of 1.9% in operating expenditures.

Agency Request	0.00	800	0	0	800
<i>The Governor recommends no increase for general inflation.</i>					
Governor's Recommendation	0.00	0	0	0	0

Nonstandard Adjustments

Nonstandard Adjustments include a \$100 increase in Attorney General fees, a \$100 decrease in risk management fees, a \$400 decrease in State Controller fees, and a \$900 increase in the cost of leased office space.

Agency Request	0.00	500	0	0	500
Governor's Recommendation	0.00	500	0	0	500

Change in Employee Compensation

Reflects the cost of a 1% salary increase for permanent and group positions.

Agency Request	0.00	2,100	0	0	2,100
<i>The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.</i>					
Governor's Recommendation	0.00	4,300	0	0	4,300

FY 2005 Program Maintenance					
Agency Request	4.00	330,200	0	0	330,200
Governor's Recommendation	4.00	331,600	0	0	331,600

1. Salary Equity

This enhancement would provide \$6,300 in ongoing General Fund money to increase the pay of the Technical Records Specialist position. This incumbent has been with the agency for over five years, and is currently paid at 88% of the market average.

Agency Request	0.00	6,300	0	0	6,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Board of Tax Appeals

Analyst: Hancock

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Legal Assistant Position					
This enhancement would provide \$51,400 in General Fund money (\$3,000 of it one-time) to hire a new legal assistant position for the board. After caseloads shrank by about one-third in FY 2000 and FY 2001, they more than doubled in FY 2002. The board is concerned that it may be unable to meet its decision deadlines in the event of any further increase in caseloads. A legal assistant would enable the board to deal with potential increases. Recent holdbacks caused the board to reduce its number of full-time positions from 5.0 to 4.0, although the fifth position was never actually filled. This enhancement would bring the board's authorization back up to 5.0 FTP.					
Agency Request	1.00	51,400	0	0	51,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
3. Contract Staff Support					
The board is requesting \$12,000 in ongoing General Fund money for additional staff support. Of these funds, \$7,000 would be used to hire contract clerical assistance. This clerical staff will help the board meet deadlines by processing filings and decisions more quickly. The remaining \$5,000 would be used to contract for legal advice and assistance outside the normal support provided to all state agencies by the Attorney General's Office. Outside counsel would be used in cases where the board is hearing appeals of decisions by the State Tax Commission, which uses advice from the Attorney General's Office in crafting its decisions.					
Agency Request	0.00	12,000	0	0	12,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2005 Total					
Agency Request	5.00	399,900	0	0	399,900
Governor's Recommendation	4.00	331,600	0	0	331,600
Agency Request					
Change from Original App	1.00	77,700	0	0	77,700
% Change from Original App	25.0%	24.1%			24.1%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	9,400	0	0	9,400
% Change from Original App	0.0%	2.9%			2.9%

Board of Tax Appeals

Issues & Information

Analyst: Hancock

Performance and Other Measures

Selected Measures	FY 2002 Act	FY 2003 Act	FY 2004 Est	FY 2005 Est
1. Conduct hearings in a timely manner 100% of the hearings of those wishing to be heard are conducted by the end of the fiscal year.	100%	100%	100%	100%
2. Issue decisions in a timely manner 100% of the Board's cases are completed by the end of the fiscal year (Except those requested to be held in abeyance).	99%	100%	100%	100%
3. Issue decisions in a timely manner The average time between hearing and rendering of the decision is no more than 85 days.	85 days	106 days	80 days	75 days
4. Total Number of Tax Appeals	456	427	475	500
5. Appeals Granted	20	20		
6. Decisions Modified	28	31		
7. Appeals Denied	69	73		
8. Appeals Settled/Withdrawn/Dismissed	339	303		

Organizational Chart

